

Comments By Marshfield Broadcasting Company,
Inc. Relative to FCC Notice of Proposed Rulemaking, MB
Docket No.

04-233, The "Broadcast Localism" Proceeding

Introduction

Marshfield Broadcasting Company, Inc., licensee of Radio Station WATD-FM in Marshfield, Massachusetts, respectfully submits the following comments in the FCC proceeding referenced above.

The Commission's proposal will not significantly affect the way WATD does business. Frankly, for the past thirty years we've been doing virtually everything the Localism Proceeding would have all stations do. Not because the Commission tells us to but because many of the suggestions in the Docket represent common sense activities which, when properly implemented, permit WATD to better serve the communities in our area and allow us to make some money as well.

But not every radio station has the good fortune to operate on the Massachusetts South Shore, an area still economically vibrant and perfectly capable of supporting the broadcast stations licensed here. Clearly, a great number of radio and television stations do not have an economic base as steady as ours. If the proposed rules are applied across the board to the entire broadcast industry, there is a very good possibility that a number of marginal operations in smaller markets will simply shut down or substantially curtail operating hours. Indeed, blindly pursued, the provisions of this Docket may leave millions of listeners without any local radio broadcast service, imperfect though that service may be today. So we submit these comments on behalf of our industry, not simply on behalf of our station. But before we begin, a word about that station.

WATD-FM is a very local operation. We are licensed to Marshfield but service about fifteen towns on the Massachusetts South Shore. With 3,000 watts of power and a very tall broadcast tower our signal

reaches car radios from Martha's Vineyard to the New Hampshire border. But we use that

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reach only to service our local residents when they leave the South Shore. It's localism and an absolute commitment to our listeners which lets us meet our payroll. Here's why.

First, radio is unlikely to exist for long as a purely music medium. There are simply too many ways to find, store and play songs. That's why we mix our music with local news, sports, weather, and regional information of all sorts. That's why we employ announcers and eschew computers in creating air product. And it's why we carried more than 40 high school games live last year, recorded and broadcast the Holiday Concerts from a dozen local schools featuring hundreds of student musicians, covered every local election, and sponsored debates to let our local voters learn about the candidates and the issues.

There is always someone at WATD all day every single day of the year to answer the phone and respond to anything from a lost dog to breaking news and even to problems at our local nuclear power plant. During the past decade our news department has won three National Edward R. Murrow Awards for Overall Excellence in Regional Radio News for the entire country. During the same period we earned ten additional National Murrow Awards, more than fifty regional Murrow Awards, and have been named the Associated Press News Station of the Year for Massachusetts and Rhode Island nine times in the past decade. Our website, www.959watd.com recently received an Edward R. Murrow Award as the best regional radio website in New England and was named the best regional radio website in Massachusetts and Rhode Island for 2007. We have a Boston State House reporter, our own local meteorologist, and an in-house public service director. We administer, support, and helped to create the Bill Wilhelm Scholarship Program. And thirty years ago we founded and continue to support the Talking Information Center, the Massachusetts Radio Reading Service for the Blind, which services more than 20,000 blind and print handicapped residents of our state from studios located in the WATD

building. To ensure WATD can remain on the air in an emergency, we have two emergency generators at both our studios and transmitter site.

Every one of these activities requires money. But by investing that money WATD has become a community resource rather than simply a free local jukebox. And as a result our sales staff is consistently able to sell advertising

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in the towns we serve. And that advertising works because listeners trust our credibility and actually believe the messages they hear on our air. But it all starts with digging in strong local roots. In simplest terms, LOCALISM MAKES US MONEY. And it provides our company with stability because our programming is not tied to a single musical format which could be easily hijacked by a more powerful Boston station.

So we have some experience in creating and maintaining localism in radio. And perhaps some of our observations and suggestions will be useful to the Commission in formulating practical and viable options to help other stations improve localism in their communities.

The Proposal From A Streetwise Perspective

Here are the issues we've had experience with and our reactions to the Commission's proposed rules affecting them.

Main Studio – Localism isn't always about geography. There are communities of interest as well. WATD's main studio is, in fact in Marshfield, our community of license. But we can't make a living serving only Marshfield which is why we've positioned ourselves as the local voice for the fifteen or so communities which make up the region known as "The South Shore". It would make little difference to the

people we serve whether our studios are located in Marshfield, Plymouth, Pembroke, Duxbury or Hanover. Listeners and town officials travel daily from many other nearby communities to visit our Marshfield studios which are, in fact, located very near the Pembroke Town Line. It's actually a shorter trip from Pembroke to WATD than from many parts of Marshfield. The point here is that it really makes very little difference where a station's main studio sits provided it's easily accessible to listeners and content providers. The current rules requiring a station's main studio to be located within the local service contour or at least within 25 miles of the community license seem to make sense. In today's world most listeners communicate with a radio station via telephone or e-mail and seldom travel to the station itself except to pick up prizes. There is, of course, the question of easy access to a station's public file which can be addressed by website posting. Although during the past fifteen

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years no member of the public (other than the man we hire to perform our voluntary FCC inspections) has ever asked to see the WATD public file. In general however, the community of interest which responds to a station's programming is not defined by town lines or city boundaries. And every dollar spent on needless rent is a dollar which is then unavailable to create local programs.

2. Staffing – There was a time before computers made automation easy and affordable when every station was staffed during every hour of its broadcast day. Of course many of those broadcast days were much shorter than the ones we see today. During the evening and overnight hours when advertising revenues dwindled below the cost of staffing the station, many stations simply turned off the transmitter and said goodnight. Thanks to computers most of those facilities now operate continuously. WATD has the equipment in place to fully automate our station. But we don't use it. Instead there is always someone running the show all day and all night every single day of the year. We've chosen to create a personality driven, listener interactive format which does not lend itself well to automation. It's a format which is not easily copied by other stations and it's served us and our

listeners well for over 30 years. But what works for WATD in a relatively affluent market will not work for every broadcaster. Many stations in smaller markets depend on the ability to operate without staff during the evening and overnight hours in order to have the money available to produce a good morning show. Radio is an advertising funded business and advertising revenues aren't exactly going through the roof these days. The Commission has every right to expect its licensees to produce good local programming. But that programming costs money and the Commission should let stations develop their own business models for meeting community needs. And if that means funding a great morning show or public service operation by automating during other hours, that's probably a good deal for the listeners. There is, of course, the question of getting emergency information to listeners during the unattended hours. Fortunately the same technology which makes unattended operation possible also virtually guarantees access to someone at the station via cellphone or e-mail. And the same technology makes it possible for that employee to immediately gain access to the station's audio chain to pass emergency information on to its listeners even if the existing EAS System should fail.

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3. Content – We'll leave the First Amendment issues raised here to the lawyers. Because content is really a common sense issue. No broadcasting company will knowingly produce content which is not attractive and meaningful to at least some segment of the potential broadcast audience. There was a time when a great many stations owned by different companies produced full service formats which competed for the same audience in the same market. But once the ownership limits were essentially abolished and the Commission permitted a single owner to operate multiple outlets in the same area the programming rules changed. Clearly it makes no financial sense for the owner of three or four stations in the same market to program those stations to compete against each other for listeners. So a myriad of formats now exist on a large number of stations each hoping to attract enough listeners to bring value to advertisers. Some of those formats focus strongly on local interaction. Others focus on news or

sports. Still others primarily entertain listeners. And a growing number of stations broadcast in a foreign language or feature a religious format. All of these stations, if they are to remain on the air, must attract a reasonable number of listeners. Those listeners are in essence a radio station's customers and without them advertisers will not spend money. We can understand the Commission's hope that somehow every radio format will be a local one. But please remember that localism in radio is frequently defined by listeners with a shared interest in a particular radio format and not necessarily by geographic boundaries. If you force a station to localize programming within a specific geographical area you may very well severely limit the number of financially viable radio formats. There's nothing wrong with expecting your licensees to do a good job for the customers (listeners) they serve. But none of the community service programs you hope to facilitate through this proceeding will mean anything if owners are not given the latitude to first attract an audience for their stations. View the situation like feeding medicine to an old dog. You slip the pills into a nice slab of meat thereby giving the dog what's good for him by first giving him what he wants. Please step back and let us program our stations without onerous reporting requirements to give our listeners what they want. And trust us to also provide what's good for them.

4. Local Music – Like it or not, the music business has changed. Sam Phillips is dead and virtually every band has access to recording facilities far more advanced than Sun Studios ever hoped for. WATD supports local musicians

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and we produce two weekly music shows featuring local performers. Wherever possible we take local songs and include them in our regular format. It's not only the right thing to do but it helps us make money because the venues where these musicians play are much more apt to advertise when we take the time to support their entertainers. While it is definitely harder to make it big in music these days that's largely not the fault of radio ownership. There's just a lot more music out there as technology makes it possible for virtually every local group to publish a cd of its work. We in the radio programming business are still charged with picking the best music to attract listeners to our

formats and we try to do that fairly. The government should not even consider getting involved with this issue. It is a very slippery constitutional slope. There are indeed distribution issues which could be addressed by other parts of the government. But even these are probably better left alone unless one is ready to attempt a second occupation of Japan to bring the folks at Sony into line.

5. Advisory Boards – This is a nice idea whose time has come and gone. On a local level, radio will not prosper unless owners know their communities. To institutionalize this intuitive interaction between our medium and its listeners is completely unnecessary and flies in the face of common sense. Owners will of course want to understand the needs and issues in the towns they serve. But they should be allowed to do that in their own way. Those who do will be rewarded with more listeners and more advertising. Those who do not may be eaten by their competitors. In cities with a dozen or more radio outlets the logistics of creating multiple advisory boards committed to quarterly meeting are daunting indeed. Consider the time, effort, and money, required to make this process work. And simply because the process might make more information available to a station does not and should not mean the station is required to act upon it in any specific way. Wouldn't it be better to take the resources required to create and manage advisory boards and devote those resources instead to news, public service, or local sports? And shouldn't we as local businessmen be allowed to make that choice?

6. Fairness – No, not the Fairness Issue. Just plain old business ethics. For over a decade the United States Government, with the Commission acting as its agent, has sold the right to use radio frequencies at auction to the highest bidder. The price you received for every allocation was predicated on an operator's ability to turn a profit or at least break even once the station was

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built and running. Most of the channels auctioned to date have been in small markets where it may not be financially viable to run a station fully attended every hour of the day or to maintain a studio within the geographic confines of the community of license. This issue doesn't

affect WATD but it does affect the radio industry. And it affects your credibility as a regulatory organization. You've already taken the broadcaster's money. Please don't now change the deal. That's not fair.

Some Possibly Helpful Suggestions

While we disagree with most of the Commission's proposed solutions to the localism issue, we strongly support the concept. So here's our list of eight things the Commission might do (or in some cases ask Congress to do) which would help foster localism.

1. Get Local Folks Into Local Ownership – Once upon a time young people had an opportunity to actually own stations in the towns where they lived. Those were the days when the Commission, through the hearing process, would actually make a qualitative decision as to which competing applicant, was likely to best advance the public interest, convenience, and necessity, within the proposed service area. Today, frequencies are simply auctioned to the highest bidder with no regard for which of those bidders will do the best job for the public. An example: This actually happened three years ago.

One of our announcers, Joan Orr, had hoped for years to establish a new FM station in her hometown of Brewster, Massachusetts on Cape Cod. We helped her with the channel allocation process which involved convincing a nearby station to change frequency. By the time Channel 232A was finally assigned to Brewster, the auction rules were in effect. Joan teamed up with a local businessman and between the two of them they raised a million dollars to bid on the frequency. But that wasn't enough money and Joan was quickly outbid by a chain operator who was then outbid by public radio station WGBH in Boston which paid nearly four million dollars for the frequency. The Brewster station is now on the air with no locally originated programming and serves simply as a giant translator for WGBH and its other area facilities. The Commission and the public lost an opportunity to gain a truly local station owned and run by an experienced local broadcaster. This isn't an isolated occurrence. It happens every time an auction window

opens and closes a window of opportunity for local people to own local stations. As you've perhaps noticed, it's very difficult to legislate localism which is a very subjective term. People have to want to do it because they understand and care about the communities their stations serve. Change the auction rules to provide an absolute preference for local bidders. Then require a local applicant to meet only the opening bid price. If there are two or more local applicants let them bid against each other. You will not make as much money at most auctions but then you're not selling cellphone frequencies for use by a common carrier. And you'll get localism back into local radio which should be worth a lot more to the public than a few extra dollars in the Treasury.

2. Creating Localism Takes Time – Bring back the “Three Year Rule” for both new permittees and station buyers. And enforce it without exception. It takes time to establish a good local operation whether it's in a geographic community or a community of interest. If you award a preference to a local applicant in an auction make sure that applicant actually builds the station and runs it. And if someone buys a station, ensure they stick with it long enough to make a difference in their area. Eliminate the station flippers and you'll see some real growth in localism.

3. Raise the EEO Exemption Limit From Five To Ten Employees – As you've pointed out in this proceeding, computers don't create localism. But people do. What radio station is going to hire someone to work in news, programming, or public service, if that person moves the station out of the FCC's EEO exemption category? Do the math. Programming a station 24 hours daily with a live voice requires 168 hours of work. That's four people just to provide programming.

4. Put the Broadcast Spectrum to Work – Vacant frequencies serve no one. Set a reasonable time for permittees to construct and begin operating the facilities you award them. Set a time limit and mean it. No exceptions, no excuses. When FM channels are allocated, if you must auction the frequencies, do it as soon as the allocation is final. The current system of auction windows creates a feeding frenzy which

attracts predators and delays the advent of local service in virtually every case.

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5. AM Translators – Where it is technically possible, allow daytime AM

stations to use FM translators to achieve some degree of nighttime coverage. Nothing builds localism like coverage of local sports. But the teams aren't playing football on Saturday anymore. It's all under the lights on Friday night. How about giving our local daytime AM stations a ticket to the game.

6. Help LPFM Achieve Its Promise - LPFM is not automatically local. Most LPFM stations, because of their non-commercial 100 watt status, are run by volunteers, programmed by computer, or, despite good regulatory intentions, run from afar. There are some things you can do now to help keep these potentially local voices alive.

Enforce ownership limits. One or two stations, no more, per owner. If you don't do this LPFM will be dominated by a few programming sources, some religious, some network based, few of them local.

Give preference to local service. This means allowing LPFM stations to displace translators except those used by daytime AM stations or by FM stations to fill holes within their predicted service areas.

Eliminate the third adjacent channel restriction for LPFM. There is no technical basis for this rule (Please note that many translators operate with at least as much power within the service areas of second adjacent channel stations.) and it unfairly prevents many small communities from receiving local service.

In awarding LPFM permits, always consider localism. If it doesn't happen already, ensure that establishment of a local voice always trumps TIS or other non-broadcast uses.

Finally, here's a great use for an advisory council. Encourage commercial broadcasters to help their LPFM counterparts. Then offer EEO training credit in return for their work.

7. Some Financial Incentives – If you truly believe studio location and staffing are really critical issues in localism, then try the carrot before you swing the stick. How about offering a discount on their annual regulatory fees to stations which do staff fulltime and have local studios? Then add a surcharge to the fees of those stations which don't. Figure the deal so the total regulatory fees remain the same and the government gets the same pot of money. It's a great incentive for stations already following your suggestions to keep doing it and will probably help a little with their payrolls.

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8. Finally, Please Remember To Say "Thank You" – We've said it before here. Localism is very difficult to legislate. It possible to force a station to go through the motions but the results are almost impossible to quantify. How about sponsoring an annual awards dinner for stations which have actually demonstrated outstanding local service? You're already got a database showing the community of license for every radio station in the country. Send an e-mail to the Town or City Halls in each of those communities asking local officials to nominate their radio station or stations for the award. Pick ten a year and bring four of their people to DC, all expenses, paid, for an awards ceremony. It won't be that expensive and will certainly get localism noticed positively in our industry.

And In Conclusion....

We know some of these suggestions are probably myopic. And they're all offered from a small market perspective. But a lot of them may very well work if you're willing to try them. The concept of localism has worked for WATD for over 30 years. It's the only reason we're still in business and we see local service as the future of radio. It may, in fact, prove to be the salvation of our business.

Thanks for listening.

Respectfully submitted,

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